

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 556 - HB 1294

February 12, 2017

SUMMARY OF BILL: Increases, from three to five, the number of members appointed to the Alcoholic Beverage Commission (ABC). Requires each member to be paid \$300 for each meeting. Eliminates the \$6,000 annual compensation for members. Deletes the requirement that members be reimbursed for travel.

ESTIMATED FISCAL IMPACT:

Decrease State Expenditures – Net Impact – \$300/ABC Fund

Assumptions:

- Eliminating the \$6,000 annual compensation for three current members will result in a recurring decrease in state expenditures to the ABC Fund of \$18,000 (\$6,000 x 3 members).
- The average annual travel expenditure is \$2,100 per member.
- Eliminating travel expenditure reimbursements will result in a recurring decrease in state expenditures to the ABC Fund of \$6,300 (\$2,100 x 3 members).
- The ABC will meet monthly; therefore, the recurring increase in state expenditures to the ABC Fund for member compensation under the provisions of this bill is estimated to be \$18,000 (\$300 x 12 meetings x 5 members).
- Training materials and supplies for the two additional members will result in a recurring increase in state expenditures to the ABC Fund estimated to be \$6,000.
- The net recurring decrease in state expenditures to the ABC Fund is estimated to be \$300 (\$18,000 + \$6,300 – \$18,000 - \$6,000).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

/jaw